

HOUSE JOINT RESOLUTION 218

By Pitts

A RESOLUTION urging Congress and President Obama to
continue the Small Business Administration
Community Express Loan Program.

WHEREAS, the Small Business Administration (SBA) Community Express Loan Program (CXP) was established in 1999 to provide minorities, women, and the underserved the capital necessary to launch their own successful, small businesses and to make valuable contributions to the economic vitality of their respective communities; and

WHEREAS, since its inception, the CXP has issued over 40,000 loans, making it the most popular small business lending source on the market today; and

WHEREAS, CXP loans typically range from \$5,000 to \$25,000, and for each \$4,000 loaned, one job is retained, and for each \$12,000 loaned, a new job is created; and

WHEREAS, a paragon of financial excellence, the CXP boasts an amazing default rate of only 1.2% of the SBA portfolio, and multiple audits have found no hint of predatory lending, waste, fraud, or abuse in the system; and

WHEREAS, a proud supporter of minority business development, 70% of CXP loans reach minority-owned businesses; a CXP loan is three times more likely to be granted to a minority than any other SBA program; and CXP loans account for 23% of all African-American loans made in all of the SBA; and

WHEREAS, captivating the timeless American values of hard work, ingenuity, and optimism, this inspiring initiative has propelled minority-owned small business to the fastest growing category in America today, up by 30% in 2010; and

WHEREAS, this highly successful pilot program has transformed the economic landscape of our great State as well; and

WHEREAS, over 2,120 CXP loans have been issued in Tennessee, adding over \$54,254,800 in economic development to our communities, creating 2,950 jobs, retaining 9,650 jobs, and becoming the premier SBA loan program in the State of Tennessee for six years; and

WHEREAS, unfortunately, after more than a decade of fostering private entrepreneurship, spurring economic growth, and making a lasting impression on the Tennessee and American economy, this phenomenal program is scheduled to be terminated on April 30, 2011; and

WHEREAS, as we emerge from this current economic recession, the Small Business Administration Community Express Loan Program stands as an integral partner in the revitalization of both our state and nation, and it is imperative that it be renewed; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED SEVENTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that this General Assembly hereby urges the United States Congress and President Obama to continue the Small Business Administration Community Express Loan Program.

BE IT FURTHER RESOLVED, that the Chief Clerk of the Senate is directed to transmit a certified copy of this resolution with this final clause omitted from such copy to the President of the United States, the Speaker and the Secretary of the United States Senate, the Speaker and the Clerk of the United States House of Representatives, and to each member of the Tennessee Congressional Delegation.